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October 20, 2003

Via Hand Delivery
William Foster
Chief, Regulations and Procedures Division

Alcohol & Tobacco Tax & Trade Bureau
ATTN: Notice Number 4
Post Office Box 50221
Washington, D.C. 20091-0221

RE: Notice No.4: Flavored Malt Beverages and Related Proposals

Dear Mr. Foster:

Mark Anthony Brands, Inc. (“MAB”) submits the following comments on Alcohol & Tobacco Tax & Trade Bureau (“TTB”) Notice Number 4 (“Notice 4”), proposing to limit the use of flavors and other ingredients containing alcohol in products classified as beers and/or malt beverages.’ As the national distributor of mike’s bard lemonade®, mike’s hard cranberry lemonade® and mike’s hard iced tea®, the outcome of TTB’s flavored malt beverage (“FMIB”) rulemaking could have a profound adverse effect on MAB’s business and the FMB industry as a whole. We therefore write to express our support for, and to urge TTB’s adoption of, the comments filed by the Flavored Malt Beverage Coalition (the “Coalition”), and to add our own reasons for supporting a majority rule for FMB formulation instead of the extreme 0.5% alcohol by volume (“ABV”) limit proposed by Notice 4.

5 Part I of these comments explains MAB’s place in the FMB industry and how Notice 4 would threaten that position to the benefit of MAB’s large brewer competitors. Part II outlines the competitive aspects of Notice 4 and explains that a 0.5% standard would adversely affect competition in the FMB • industry. Part III highlights some reasons MAR supports the Coalition in urging TTB to reject a 0.5% standard in favor of a more reasonable majority standard requiring that at least 50% of the alcohol in a beer/malt beverage derive from fermentation of the product’s base. Part IV discusses a consumer survey commissioned by MAB that demonstrates that consumers are neither confused by current FMB labeling nor do they care about the alcohol source in an FMB. Finally, Part V briefly explains that, although MAB is willing to accept a majority standard, federal law does not, in fact, give TTB a statutory basis for limiting the use of flavors in an FMB.

I. The mike’s Story

Headquartered in Lakewood, Colorado, MAR is the national distributor and marketer of mike’s hard lemonade, mike’s hard cranberry lemonade and mike’s hard iced tea (collectively “mike’s”). MAR is owned by a small, privately-held company that first entered the alcohol beverage business as a wine importer over thirty years ago, making mike’s a product of entrepreneurial energy and investment by a small, family-owned business. Its phenomenal success has made mike’s the key contributor to MAB and its affiliates, with approximately 85% of total company profits derived from FMB sales in the United States.

1 See 68 Fed. Reg. 14291 (Mar. 24, 2003). See also 68 Fed. Reg. 32698 (June 2, 2003) (extending deadline for comments to October 21, 2003).

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MAB introduced mike’s hard lemonade in New England in April of 1999. It did so without an established distribution network and no brand name recognition. Nevertheless, mike’s had one tremendous asset – its signature great taste. That great taste drove sales of mike’s hard lemonade from nothing to approximately 10 million cases without any advertising. Few if any alcohol beverages have
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achieved such tremendous success. More remarkably, MAB achieved widespread commercial and
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consumer acceptance based on the strength of its taste and word-of-mouth endorsements.

The tremendous success of mike’s hard lemonade naturally attracted the attention of the major brewers and spirit companies. These giant competitors have introduced numerous FMB brands in the past three years. These large companies possess technology, economies of scale and other resource

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advantages over MAB. Thus, they have the capacity to launch products in a fanfare of high-profile advertising campaigns, through established distribution networks and with the backing of large sales organizations. In some cases, they use famous brand names with considerable consumer recognition. These suppliers also possess tremendous leverage with large regional and national retail chains. MAB is the only significant entrepreneurial competitor to these large companies. Nevertheless, MAB’s brands, including mike’s hard cranberry lemonade and mike’s hard iced tea introduced in 2001, have continued to increase in sales. Despite the odds, mike’s is the number two brand in the FMB category, even though most of MAPs competitors far outspend MAB in advertising.

MAP’s success also is built upon strong relationships with other independent businesses. While the largest brewers already possess large manufacturing and distribution facilities around the country, MAP has had to forge relationships with a number of regional brewers. MAP and its production affiliate, Mark Anthony Brewing, Inc., accordingly contract with four U.S. co-packing facilities to produce its

FMB products. They are: (1) High Falls Brewing Company in Rochester, New York; (2) City Brewing Company in LaCrosse, Wisconsin; (3) Carolina Brewing Company in Mooresville, North Carolina; and (4) Todhunter International in Lake Alfred, Florida. Approximately 400 employees at these co-packing

facilities depend directly on producing mike’s for their livelihood. Moreover, several of our U.S. co-packers might face bankruptcy without the business we provide. The production of mike’s also generates work for numerous employees at trucking companies, glass manufacturers and raw material suppliers.

Thus, job losses would likely far exceed the 400 persons directly dependant on mike’s production if one or more of these manufacturing businesses were to go out of business or if FMB sales were significantly reduced.

In addition to the approximately 400 people that produce mike’s brands at our co-packing facilities, MAP and its affiliates, too, rely on U.S. sales of mike’s. Together we directly employ approximately 90 people in the sale and marketing of mike’s in the U.S. Moreover, MAP’s owner has invested tens of millions of dollars over the past four years in bringing the great taste of mike’s to U.S. consumers. In developing that signature taste, MAP relied on TTB’s long-standing policies permitting the unrestricted use of flavoring materials in malt beverages containing 6% ABV or less.

MAP also has forged strong relationships with approximately 450 independent wholesalers that purchase mike’s and re-sell to retailers throughout the nation. All carry many other product lines, and over 90% distribute the broader mainstream product portfolios of one or more of the major U.S. brewers. These beer distributors are under tremendous pressure because of a flat market. Yet since 1999, MAP has provided beer wholesalers with over $165 million in incremental profits, allowing many of these independently-run, family-owned businesses to thrive in a tough, competitive market. Indeed, we believe these wholesalers derive a disproportionate share of their profits (as opposed to sales) from MAP products, as mike’s sells at a higher price than mainstream beers, and wholesalers usually receive a higher profit per-case for mike’s than with major domestic brands. Like the people at MAB and our co-packers,

2 The survey submitted with these comments confirms that consumers choose FMBs primarily for their taste. See Part IV, infra.

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wholesaler employees (and, in some cases, wholesaler businesses) depend on mike's sales for their economic success.

Notice 4 represents a profound threat to our business, and to the independent businesses across the U.S. that rely on the production, distribution and/or sale of mike's for their success. Unlike the major brewers, MAB does not possess sophisticated brewing technologies and facilities to reformulate its products, or huge amounts of capital to develop and deploy new technologies to produce mike's in a radically different manner. Thus, the costs of reformulating mike's to comply with the 0.5% standard and acquiring the technology necessary to produce reformulated products would be significant. Nevertheless, MAB can adapt to the more reasonable majority standard requiring that more than 50% of the alcohol in

(explaining that the law would support a majority standard).
an FMB derives from fermentation of the product's beer/malt beverage base. See 68 Fed. Reg. at 14296

11. Notice 4 Would Severely Reduce Competition in the Malt Beverage Market

Imposing any limits on the use of non-beverage flavors in beer and/or malt beverage products containing 6% ABV or less will prove extremely disruptive to current FMB producers and will likely

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favor some companies at the expense of others. Where the law would support a moderate change in existing policy, see 68 Fed. Reg. at 14296, federal policies favoring competition demand that TTB consider anticipated anti-competitive effects in choosing between policy alternatives and seek to adopt that alternative which promotes competitive outcomes. The 0.5% standard would favor larger companies, particularly America's (and the world's) largest brewers, and would therefore decrease competition in the FMB market segment. MAB accordingly urges TTB to reject the proposed 0.5% standard in favor of one

that allows FMB producers to compete on a level playing field and supports future competition. Federal policy strongly favors marketplace competition and discourages the unhealthy concentration of market power into the hands of a few dominant players. See, e.g., Cahfornia Retail Liquor Dealers Ass 'n. v. MidcalAluminum, Inc., 445 U.S. 97, 101 (1980); Exxon Corp. v. Governor of Maryland, 437 U.S. 117, 129 (1978). Ensuring competition in the alcohol beverage industry played an

important role in motivating Congress to enact the Federal Alcohol Administration Act ("FAA Act"), 27

U.S.C. §§ 201-211. See, e.g., Office of the General Counsel, 75th Cong., Legislative History of the FAA Act, Pub. L. No. 401, at 52 (1935) (quote of Mr. Cullen) (explaining that Congress must prevent activities that take advantage of the weakness of others in the industry). Indeed, the FAA Act's promoters expressed a desire to "enable small units to get into the liquor industry." Id. at 19 (regarding hearings before the House Ways and Means Committee on H.R. 8539). It would be ironic if the FAA Act were to provide the basis of a policy that will severly harm the competitive opportunities of small companies like MAB.

TTB must take special care in regulating when its actions will apply equally to both large and small entities. As Congress recognized when it passed the Regulatory Flexibility Act, see 5 U.S.C. § § 601(3)-(4), 603(a), over two decades ago, the burdens of regulation fall disproportionately on small companies:

First, even if actual regulatory costs are equal between competing large and small firms, small firms have fewer units of output over which to spread such costs and must include in the price of each unit a larger component of regulatory costs. Second, where small firms have smaller actual regulatory costst than large firms...,small firms remain at a competitive disadvantage because

they are unable to take advantage of the "economies of scale" of regulatory compliance.

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Senate Report No. 96-878 at 4 (quoting Alfred Dougherty, Jr., Director of the Bureau of Competition of the Federal Trade Commission, Regulatory Reform Hearings, Part 3 at 350-351). As a result of these

economic realities, "[u]niform application of regulatory requirements. . . seems to increase the size firm

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that can effectively compete. Id. at 3 (quoting Dr. Milton Kafoglis, President's Council on Wage and Price Stability, in testimony before the Subcommittee on Administrative Practice and Procedure). Accommodating the needs of small business accordingly lies at the heart of national policies that favor competition and disfavor monopoly. "An agency which ignores less burdensome alternatives. . . is in
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effect, putting a substantial cost upon certain individuals and groups in society." Id. at 9.

Notice 4 does not address the competitive effects of the rules it proposes. An examination of
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those effects demonstrates that ITB should abandon the 0.5% standard in favor of a majority standard that does not threaten the competitive viability of small companies like MAB and its co-packers. It is no surprise that America's largest brewers favor the more restrictive 0.5% standard, as they possess

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economies of scale that will allow them to far more effectively spread the costs of reformulating their products. Indeed, the largest two brewers claim that they already possess the technological capability to reformulate their FMB products to meet the proposed Notice 4 standard. That standard will not only jeopardize the competitive position of existing smaller competitors, but will also erect a formidable barrier to entry into the FMB segment, likely precluding future entrepreneurs from replicating the success of mike's. Thus, the 0.5% standard would stifle competition in this popular category because it sets up a greater barrier to entry for new entrepreneurs, resulting in less choice for consumers.

Competitive Impact on Production. The past two decades have concentrated brewing capacity in this country into a very small number of hands. Although America today is home to over 1,400

breweries, the three largest brewers own the facilities responsible for producing over 90% of domestic beer/malt beverages. Virtually all other U.S. brewers are small "micro" and "regional specialty" operations that produce their own product and would not have the capacity to produce a successful new national brand like mike's. Moreover, the tremendous costs of a new, large brewery combined with the high failure rate of new products all but eliminates the possibility that a new company could enter the market by building a new, large brewery. In short, production capacity presents a formidable barrier to
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entry to the U.S. beer/malt beverage market and to significant expansion by smaller industry participants.

As a result of these economic realities, the few remaining "old regional" brewers today represent the only realistic way to quickly access significant production capacity in the U.S. Ten years ago, many
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older brewers remained, and their capacity played a crucial role in allowing a new generation of independent U.S. brewers to achieve nationwide distribution in the late 1980s and early 1990s. Since that time, the demise of America's "second tier" brewers3 has taken vast amounts of brewing capacity off-line. Remaining excess capacity is owned by a few old regional breweries. Those breweries currently co-pack for MAB and others, and their support has been a key factor in the growth of FMBs to approximately 3% of the malt beverage market today. Thus, a decline in FMB sales would likely cause them to close their doors altogether.

A 0.5% standard represents a potentially fatal threat to almost all the remaining old regional breweries. Many of them have experienced a steady fall in the sales of their core brands in the face of the massive advertising and distribution advantages possessed by the major brewers. A substantial reduction in mike's sales and/or the sales of several other FMB brands produced at those facilities could mean the difference between survival for those breweries, including:

o The City Brewing Company, LaCrosse, WI— co-packer of Smirnoff Ice, mike's and other FMB brands.

o The High Falls Brewing Company, Rochester, NY — co-packer of Smimoff Ice and mike's.

3 The Stroh Brewery and G. Hielernan Brewing Co. exited the brewing business in the late 1990s, and Pabst Brewing Co. became a "virtual brewer" that relies on Miller Brewing Co. to produce its beer.
4 demonstrating the economies of scale advantages possessed by larger companies.

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A loss of producers like those listed above would greatly complicate the ability of future companies to enter the U.S. beer/malt beverage market. Most newer brewers lack excess production capacity, and even the largest expanded gradually over many years as their own proprietary brands grew. Indeed, America's most popular specialty beer – Samuel Adams – relied on the same excess capacity that has permitted market entry by MAB. Thus, the only alternative to regional brewing capacity would be importing, an option that would add costs and drive overseas jobs that logically should stay in the U.S. If one or more of these small brewers go out of business because of these new regulations, this would be a devastating blow to potential new beer brands. We believe that it would be virtually impossible for new entrants to have the same opportunity that mike's had at its inception.

Lack of alternative production capacity and the corresponding reduction in output would also likely raise consumer prices. As one senior executive with a large U.S. brewery recently observed, prices normally rise when the volume of production decreases. Nothing would seem more ironic to the drafters of the FAA Act than the statute being used to further concentrate U.S. brewing capacity into the hands of a small number of dominant companies, likely increasing prices to consumers.

While the adverse impact of the 0.5% standard on small companies in the FMB industry is clear, the proposed standard presents a win-win scenario for the largest brewers in the beer/malt beverage market. If the largest brewers indeed have technology that can produce FMBs with the same taste profiles that are successful in the marketplace today, the largest brewers will dominate the FMB category with their products. As noted above, a number of smaller competitors will be forced out of business under the 0.5% standard because they lack the financial resources necessary to revamp their equipment and formulas. Even if some small breweries could make the necessary investment to comply with the 0.5% standard, the cost competitiveness of their FMBs will be reduced or even eliminated because they must increase prices to recoup their capital investment and cover increased costs of production. On the other hand, if consumers reject FMBs produced under the 0.5% standard, the largest brewers will benefit because the elimination of the FMB category will protect their extensive investments in the production and distribution of traditional beer and malt beverage products.

Competitive Impact on Distribution. The 0.5% standard also threatens to further concentrate distribution into just two or three wholesalers in a given market, with each of those dominated by one or two of the big U.S. brewers. Public policy favors independent wholesalers, see, e.g., R.I. Gen. Laws § 3-13-2(2)(c)(i); Tex. Alco. Bev. Code Am. § 102.72(a)(1), yet Notice 4 would help the largest companies grab more "share of mind" from wholesalers. By doing so, Notice 4 undermines wholesaler independence and further encourages consolidation that already has left many U.S. markets with just two viable beer wholesalers.

Mike's offers wholesalers a high-profit brand that is not tied to one of the major U.S. brewers. The ability of such brands to succeed in the market gives wholesalers an added measure of independence from their major suppliers. Indeed, in some markets the added margins provided by products like mike's may mean the difference between a viable third wholesaler in a territory and a situation that forces the number two and three wholesalers to consolidate in the face of bankruptcy.

The possible demise of small suppliers like MAB also may further erode the ability of future entrepreneurs to enter the market. Wholesalers and retailers must decide where to allocate limited promotional dollars, warehouse capacity and shelf space based upon their perception of the return they will get on such investments. Should Notice 4 destroy the investment many wholesalers and retailers have put into mike's to date, those parties will be very reluctant to commit to another small supplier in the future.

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III. The Majority Standard Is Preferable to the Proposed 0.5% Standard

Notice 4 states that the Internal Revenue Code ("IIRC") and the FAA Act would support a regulation requiring that a majority (50% or more) of the alcohol content of a beer/malt beverage derive from fermentation. 68 Fed. Reg. at 14296. But although it declares that federal law supports either a 0.5% or majority standard, Notice 4 proposes the most restrictive standard on the basis that TTB has for distinguishing taxable from non-taxable products containing alcohol. See 65 Fed. Reg. at 14295. As FMBs containing more than 0.5% ABV clearly qualify as taxable alcohol beverages, this rationale fails to justify a sudden shift from TMB's long-standing policies permitting the unrestricted use of flavors in FMBs to a strict 0.5% limitation. Indeed, reliance solely on the historical use of the 0.5% standard would be arbitrary.

Further, the proposed 0.5% standard is not consistent with TTB's approach to regulating the source of alcohol in other beverages. For example, the definition of wine is silent on the use of flavors containing alcohol, and TTB interprets this silence as permitting the unrestricted use of flavors containing alcohol. See 26 U.S.C. § 5381. Though the definitions of beer and malt beverage likewise are silent on the use of flavoring materials in these products, Notice 4 proposes to strictly limit the alcohol contribution from flavor alcohol in FMBs to just 0.5% ABV. In addition, TTB's policies governing other ingredients in a malt beverage are much more lenient than Notice 4's proposed alcohol source standard. For instance, the FAA Act requires brewers to use malted barley in a "malt beverage," yet a product made with as little as 25% malt or a wide variety of "malt substitutes" still qualifies as a malt beverage. Thus, unlike the proposed 0.5% standard, a majority standard would comport with TTB's historic principles for regulating the composition of alcohol beverages.

MAB believes a majority standard would fully accommodate the diverse interests of federal and state regulators, consumers and manufacturers. MAB agrees that the creation of a federal standard for FMBs is preferable to the emergence of multiple and potentially conflicting state standards. As state alcohol beverage codes and regulations often are silent on the use of flavors in malt beverages, a majority standard would fulfill requests by the states for further guidance on FMB regulation and establish a workable, uniform standard that manufacturers can follow in every state.

A majority standard is more achievable, and would allow MAB to meet consumer expectations. and more effectively manage the economic costs involved in reformulating their products and revamping their production systems. MAB has invested substantial amounts of manpower and capital in products that comply with TTB's long-standing FMB policies. By implementing a majority standard rather than a 0.5% standard, TTB reduces the risk that FMB manufacturers will be pushed out of the market due to the high cost of restructuring their production methods. A majority rule also increases the likelihood that FMB suppliers can formulate products that satisfy consumers taste preferences.

IV. Notice 4's Claim of Consumer Confusion

Notice 4's primary justification for promulgating limits on the use of flavors and other alcohol sources in a malt beverage is that "to label a beverage that derives most of its alcohol content from added alcohol flavors as a malt beverage is inherently misleading since consumers would expect that malt beverages derive a significant portion of their alcohol content from fermentation of barley malt and other ingredients at the brewery." 68 Fed. Reg. at 14296. As explained at length in the comments of the Coalition, Notice 4 fails to provide any evidence for this assertion of consumer confusion, as the law requires. See, e.g., Ibanez v. Florida Dep't of Bus. & Prof Reg., 512 U.S. 136, 141-42 (1994); Edenfield v. Fane, 507 U.S. 761, 770-71 (1993). Notice 4 also fails to present any evidence that alcohol source is a material consideration in the purchasing decisions of FMB consumers, and its assumption that consumers care about alcohol source directly contradicts the official position of Bureau of Alcohol, Tobacco & Firearms. Nor can flB provide evidence in the final rule, as the Administrative Procedures Act, 5 U.S.C.

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§ 553, and basic fairness require that TTB give MAB and the public the opportunity to review and comment on any hypothetical evidence of confusion.

To further test Notice 4's consumer confusion assertion, MAP retained The Luntz Research
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Companies ("Luntz") to survey consumer beliefs about the alcohol source in PMBs, and to ascertain

whether any of those beliefs were material to FMB consumer purchasing decisions.5 Luntz conducted

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600 face-to-face interviews of FMB consumers in three representative metropolitan areas: Baltimore, Chicago and San Diageo. The Luntz report of its findings is attached as Exhibit B, with the survey used and actual survey results attached as Exhibits C and D, respectively.
questions

The Luntz survey demonstrates conclusively that Notice 4's allegation of consumer confusion is wrong, and therefore provides no basis for limiting the use of flavors in beer/malt beverage products. On the issue of actual confusion, Luntz found that four-out-of-five FMB consumers had no belief about the alcohol source in an FMB after examining a bottle of mike's hard lemonade prominently labeled as a "malt beverage." Consumers that had a belief about the alcohol source in mike's roughly split into those who believed that it contained fermentation alcohol and those who believed it contained distillation alcohol. And of the 9% of consumers (54 out of 600) that did believe mike's derived its alcohol from fermentation, less than 2% (14 out of 600) believed that mike's contained fermentation alcohol due to its labeling as a malt beverage or another aspect of its labeling. Well-settled law requires a level of

confusion far greater than 2% in order to find the existence of confusion in the marketplace. See, e.g., Henri's Food Products Co. v. Kraft, Inc., 717 F.2d 352 (7th Cir. 1983) (8% level of confusion in a survey is evidence that there is not a likelihood of confusion); IDV North America v. S&M Brands, Inc., 26 F. Supp. 2d 815, 831 (E.D. Va. 1998) (survey showing 3% level of confusion proves the absence of a likelihood of confusion); Wuv's International Inc. v. Love's Enters., Inc., 208 U.S.P.Q. 736, 756 (D. Col. 1980) (9% level of confusion demonstrates lack of a likelihood of confusion). The Luntz survey therefore establishes that no consumer confusion exists.

The Luntz survey also demonstrates that alcohol source is totally immaterial to the purchasing decision of FMB consumers. When asked for their top two reasons for choosing an FMB, not a single

respondent gave alcohol source as a reason for their choice. Instead, taste-related responses topped consumers' criteria for selection, followed by FMBs' difference from beer and its convenience. And even when presented with a list of nine reasons for selecting an FIVIB that included alcohol source as a reason for selection, just one respondent stated that alcohol source was a reason for selecting an FMB. This evidence conclusively demonstrates that alcohol source is not material to consumers' purchasing decisions, and to label an FMB a "malt beverage" therefore is not misleading as a matter of law. See, e.g.,Pizza Hut, Inc. v. Papa John~ Int'l, Inc., 227 F.3d 489, 503-04 (5th Cir. 2000) (slogan not misleading where no evidence demonstrated that it "had the tendency to deceive consumers so as to affect their purchasing decisions"); Gold Seal Co. v. Weeks, 129 F. Supp. 928, 934 (D.D.C. 1955) (where an allegedly deceptive claim "does not appear as determinative in leading customers to buy the product, the mark is not deceptive").

V. Notice 4's Claim of a Statutory Basis for Limiting the Amount of Alcohol Contributed by Flavors to FMBs

In spite of the considerable hardship that a majority standard will impose on MAP, the company can accept that limitation on flavors as providing a clear national standard for industry and regulators. Nevertheless, MAP disagrees with Notice 4's conclusion that the IRC definition of "beer," 26 U.S.C. § 5052(a), and the FAA Act definition of "malt beverage," 27 U.S.C. § 21 l(a)(7), allow JTB to limit the use of flavoring materials containing alcohol in such products.

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Notice 4’s proposal to limit the use of flavor alcohol in FMBs stands in sharp contrast with TTB’s prior interpretations of the beer and malt beverage definitions. Historically TTB has interpreted both statutes to allow the use of a wide variety of materials in beer and malt beverages, including non-beverage flavors. See 68 Fed. Reg. at 14295, 14296. These long-standing interpretations undermine the claim now that the laws require TTB to limit the amount of alcohol contributed by flavors to FMB products.

Notice 4 also overlooks the fact that neither the]IRC nor the FAA Act explicitly prohibits or limits the use of such flavoring materials in beer or malt beverage products. While Congress included specific limitations on the use of other alcohol sources in wine and distilled spirits, see 26 U.S.C. §§ 5375 and 5010, it did not include such limitations in the beer or malt beverage provisions. Moreover, neither the TRC nor the FAA Act requires that a minimum of alcohol in a beer or malt beverage must be derived from fermentation.

VI. Conclusion

MAB does not oppose reasonable regulation supported by real public policy needs. But the 0.5% standard proposed in Notice 4 goes far beyond anything necessary to create a clear, uniform national standard for the production of FMB products. Instead, if adopted, the 0.5% rule could have devastating consequences to our company and employees, and other businesses and workers that now depend on the production, distribution and sale of mike’s. This standard also will disadvantage American consumers by reducing choice and potentially delivering higher prices. We accordingly urge TTB to reject Notice 4’s 0.5% standard in favor of the more reasonable majority standard.

MAB appreciates this opportunity to provide comments on Notice 4 and looks forward to working with TTB to develop a sound and rational regulatory scheme for all beer and malt beverage products.

Sincerely
Anthony Mandl
Chairman&CEO

Enclosures
cc: Anat Baron (by overnight mail)
Greg Altschuh (by overnight mail)
Marc E Sorini

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THE ATTACHMENTS FOR THIS COMMENT MAY BE VIEWED IN THE
TTB READING ROOM